

# RIVERSIDE COUNTY ECONOMIC FORECAST

Riverside County has one of the fastest growing economies in California. It created jobs at a rate of 3.4 percent in 2017, compared to 2.0 percent for the broader state. Several industries are growing very rapidly in Riverside County, including construction, transportation and warehousing, and healthcare.

Due to robust job creation, the Riverside County unemployment rate has improved substantially, falling to 5.2 percent in 2017.

Riverside County also has one of the fastest growing populations in California. Between 2012 and 2017, an average of 12,700 net migrants entered the county each year, and the population grew at an annual rate of 1.2 percent.

People are moving to Riverside County for its affordable homes and growing job prospects. Across Coastal California, households often spend more than 35 percent of their income on mortgage payments and rent. But in Riverside County this figure is typically less than 25 percent, although there are a substantial number of households near the poverty line that spend much more.

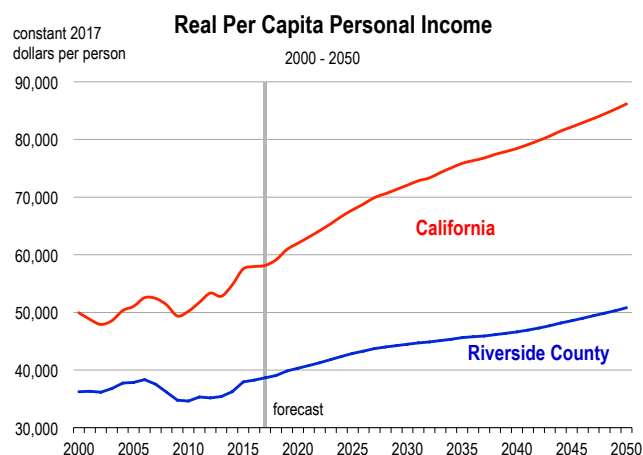
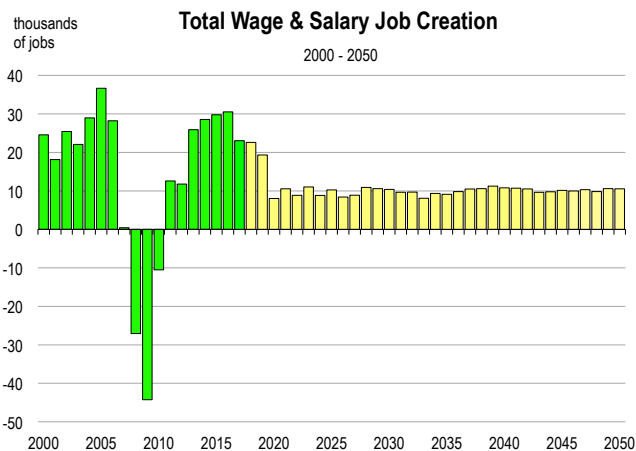
From 2012 to 2017, an average of 6,400 homes were built each year. The vast majority of these units were single-family houses. Because Riverside County has large amounts of buildable land, housing development has tended to spread out into new single-family communities, rather than be forced up into multifamily skyscrapers.

Riverside County is becoming a hub for the logistics industry. Because of its affordable real estate and proximity to the ports of Los Angeles and Long Beach, logistics firms are relocating to Riverside County, and a number of large corporations have established fulfillment centers in the region. Many of these facilities can be classified as “megawarehouses,” which typically have a least a million square feet of storage and processing capacity.

Over the next two decades, more warehousing and fulfillment space is expected to be built. One of the most prominent projects could be the World Logistics Center, which would include 40 million square feet of functional capacity.

## FORECAST HIGHLIGHTS

- In 2018, total wage and salary employment will increase by 3.2 percent. From 2018 to 2023, total employment will grow at an annual average rate of 1.5 percent.
- The strongest employment gains will be observed in education and healthcare, leisure and hospitality, transportation and warehousing, and professional business services. Combined, these industries will account for 75 percent of net job creation between 2018 and 2023.
- The Riverside County economy has reached a “full employment” scenario, meaning that almost everyone who wants a job



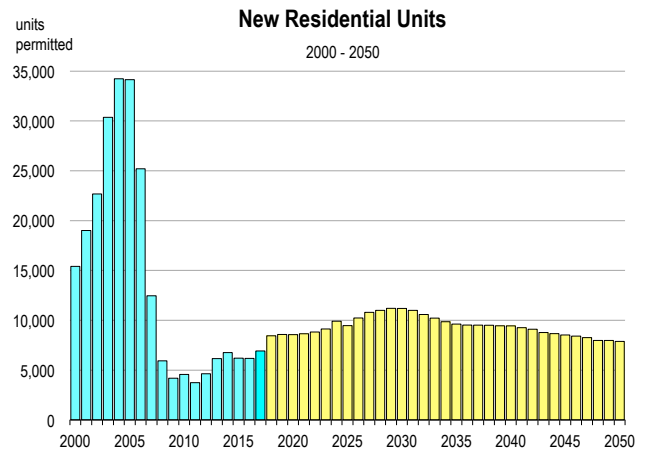
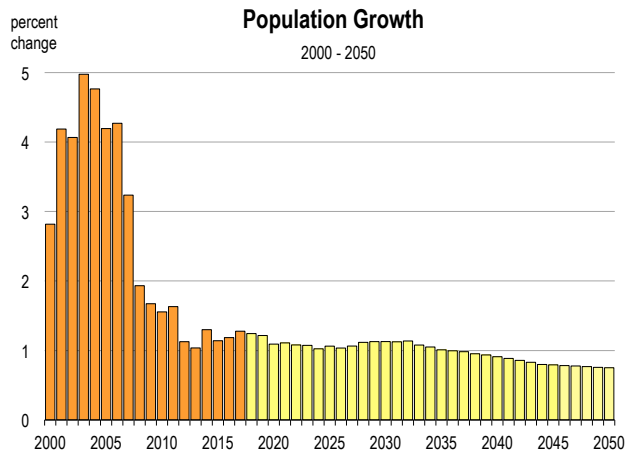
already has a job. Under these conditions, further improvements in the unemployment rate are expected to be minimal.

- Average salaries are currently below the California state average, and will remain so over the foreseeable future. In Riverside County, inflation-adjusted salaries are expected to rise by an average of 1.5 percent per year between 2018 and 2023, which will be slower than statewide growth.
- Housing production will accelerate over the forecast period, with an average of 8,700 units built each year through 2023.
- The population will continue to expand quickly. Annual growth in the 2018-2023 period is expected to average 1.1 percent.
- Net migration will remain strong, with an average of 12,100 net migrants entering the county each year through 2023. Net migration will account for almost half of all population growth.

# Riverside County Economic Forecast

## 2010-2017 History, 2018-2050 Forecast

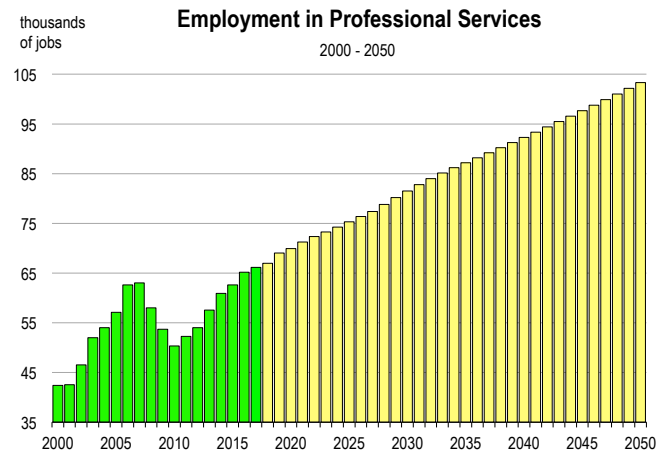
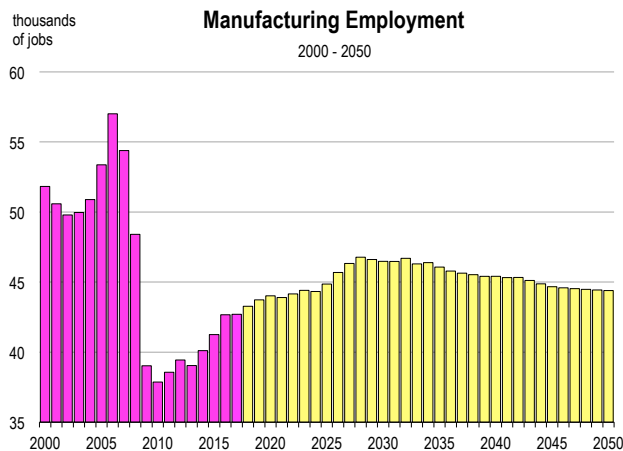
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	2,191,930	16,144	1.71	686.4	4,557	\$23.2	\$66.9	\$34,621	1.2	1,240.4	11.1	13.8
2011	2,227,674	19,156	1.71	690.0	3,749	\$25.6	\$71.2	\$35,315	2.7	1,416.5	11.1	13.2
2012	2,252,777	9,598	1.72	693.5	4,629	\$28.1	\$73.2	\$35,159	2.0	1,356.7	11.6	11.6
2013	2,276,143	8,430	1.79	698.6	6,143	\$30.1	\$75.2	\$35,398	1.1	1,422.2	12.4	9.9
2014	2,305,693	14,172	1.84	703.2	6,755	\$32.0	\$79.1	\$36,241	1.3	1,439.4	13.3	8.2
2015	2,331,960	11,478	1.90	708.6	6,196	\$32.9	\$84.4	\$37,920	0.9	1,363.2	14.8	6.7
2016	2,359,588	13,478	1.98	713.4	6,180	\$34.2	\$87.8	\$38,262	1.9	1,311.4	15.7	6.1
2017	2,389,723	16,098	2.07	724.8	6,921	\$36.4	\$92.4	\$38,652	2.8	1,314.0	16.7	5.2
2018	2,419,427	15,571	2.11	730.6	8,442	\$37.7	\$97.1	\$39,047	2.7	1,281.6	17.8	4.8
2019	2,448,828	14,751	2.15	737.7	8,575	\$39.1	\$102.4	\$39,836	2.2	1,255.0	18.4	4.5
2020	2,475,554	11,643	2.17	744.9	8,558	\$40.9	\$108.1	\$40,299	3.2	1,233.2	18.9	4.8
2021	2,503,008	12,078	2.18	752.1	8,647	\$42.5	\$113.6	\$40,791	2.6	1,215.6	19.4	4.9
2022	2,530,028	11,172	2.20	759.4	8,823	\$44.1	\$119.1	\$41,274	2.6	1,201.4	20.0	5.1
2023	2,557,184	10,875	2.21	766.8	9,127	\$45.7	\$125.0	\$41,825	2.5	1,190.1	20.6	5.2
2024	2,583,364	9,502	2.23	774.5	9,907	\$47.3	\$130.9	\$42,356	2.3	1,181.2	21.2	5.4
2025	2,610,804	10,275	2.24	782.8	9,462	\$49.1	\$136.8	\$42,870	2.2	1,174.4	21.9	5.5
2026	2,637,821	9,676	2.25	790.8	10,230	\$50.8	\$142.6	\$43,303	2.1	1,169.2	22.7	5.5
2027	2,665,872	10,563	2.27	799.4	10,795	\$52.7	\$148.4	\$43,713	2.0	1,165.4	23.4	5.6
2028	2,695,639	12,038	2.28	808.4	10,995	\$54.5	\$154.5	\$43,981	2.3	1,162.9	24.1	5.5
2029	2,726,025	12,379	2.30	817.7	11,197	\$56.3	\$160.5	\$44,242	2.1	1,161.3	24.7	5.5
2030	2,756,772	12,694	2.32	827.1	11,188	\$58.3	\$166.6	\$44,489	2.0	1,160.6	25.2	5.5
2031	2,787,776	12,677	2.34	836.5	10,994	\$60.4	\$172.7	\$44,724	1.9	1,160.6	25.8	5.5
2032	2,819,456	13,114	2.36	845.8	10,579	\$62.7	\$178.9	\$44,862	2.1	1,161.1	26.5	5.5
2033	2,849,849	11,645	2.38	854.7	10,217	\$64.9	\$185.0	\$45,101	1.7	1,162.2	27.0	5.5
2034	2,879,771	11,092	2.40	863.3	9,854	\$67.2	\$191.6	\$45,354	1.9	1,163.7	27.6	5.5
2035	2,908,833	10,320	2.41	871.6	9,618	\$69.6	\$198.6	\$45,604	2.0	1,165.5	28.2	5.5
2036	2,937,789	10,470	2.44	879.6	9,520	\$72.0	\$206.2	\$45,763	2.4	1,167.6	28.7	5.5
2037	2,966,648	10,569	2.47	887.7	9,513	\$74.4	\$214.2	\$45,914	2.5	1,170.0	29.4	5.5
2038	2,994,905	10,202	2.50	895.7	9,501	\$76.7	\$222.4	\$46,148	2.3	1,172.5	30.0	5.5
2039	3,022,925	10,257	2.53	903.6	9,445	\$79.2	\$231.3	\$46,366	2.5	1,175.3	30.7	5.4
2040	3,050,434	10,005	2.56	911.6	9,438	\$81.6	\$240.3	\$46,613	2.4	1,178.2	31.4	5.4
2041	3,077,443	9,719	2.59	919.5	9,256	\$84.0	\$249.6	\$46,933	2.2	1,181.2	32.1	5.4
2042	3,103,824	9,243	2.62	927.3	9,101	\$86.3	\$259.1	\$47,295	2.1	1,184.3	32.8	5.4
2043	3,129,577	8,730	2.64	935.0	8,770	\$88.6	\$268.8	\$47,681	2.0	1,187.4	33.5	5.4
2044	3,154,558	8,044	2.67	942.4	8,659	\$90.9	\$278.6	\$48,145	1.8	1,190.7	34.2	5.4
2045	3,179,571	8,147	2.69	949.6	8,525	\$93.3	\$289.0	\$48,557	2.0	1,194.0	35.0	5.4
2046	3,204,446	8,034	2.71	956.8	8,412	\$95.7	\$299.6	\$48,986	1.9	1,197.4	35.8	5.4
2047	3,229,338	8,016	2.74	963.9	8,259	\$98.1	\$310.5	\$49,418	1.9	1,200.8	36.6	5.4
2048	3,254,134	7,682	2.76	970.8	7,976	\$100.6	\$321.7	\$49,849	1.9	1,204.2	37.5	5.4
2049	3,278,759	7,277	2.78	977.5	7,976	\$103.2	\$333.6	\$50,314	1.9	1,207.7	38.4	5.4
2050	3,303,393	7,062	2.80	984.2	7,880	\$105.8	\$345.9	\$50,797	1.9	1,211.2	39.3	5.4

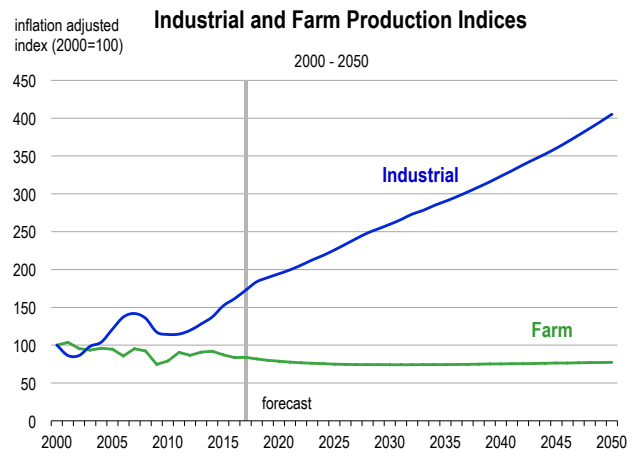
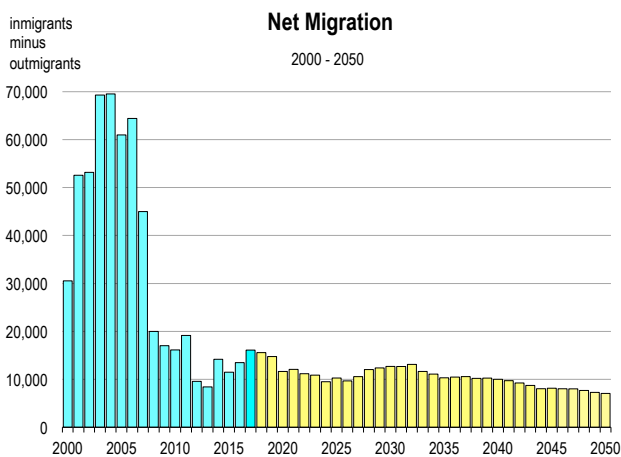
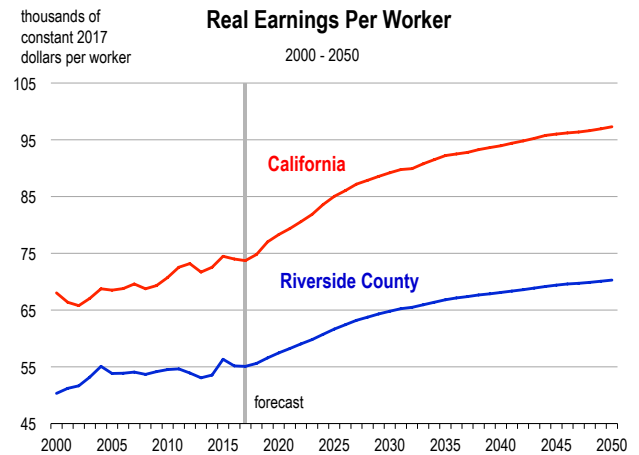
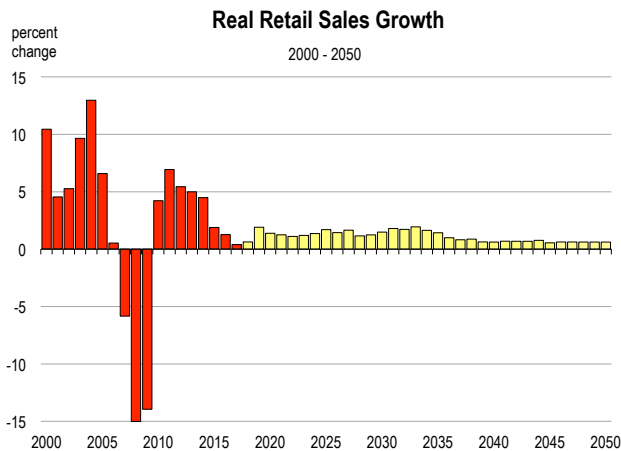


# Riverside County Employment Forecast

## 2010-2017 History, 2018-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	549.2	12.41	35.4	37.9	19.4	97.6	19.3	50.3	10.3	71.2	67.7	109.2
2011	561.8	12.43	34.1	38.6	20.2	101.4	18.6	52.3	7.7	74.3	68.9	114.2
2012	573.6	12.54	35.9	39.4	21.0	102.1	19.3	54.0	6.4	78.9	72.3	112.2
2013	599.5	12.05	42.6	39.0	24.9	104.8	20.0	57.6	6.3	85.5	75.0	111.2
2014	628.1	11.88	47.5	40.1	27.8	108.6	20.5	60.9	6.3	89.5	80.5	112.7
2015	657.9	12.58	52.9	41.3	34.1	112.1	20.9	62.6	6.4	95.2	83.4	114.5
2016	688.4	12.81	58.6	42.7	37.4	115.5	21.4	65.2	6.3	100.2	88.2	117.6
2017	711.4	12.60	61.9	42.7	41.9	117.9	21.4	66.2	6.2	105.1	91.3	121.4
2018	734.0	12.64	63.6	43.3	46.6	119.7	21.9	67.0	6.3	109.7	95.8	123.7
2019	753.4	12.50	65.9	43.7	49.9	121.0	22.5	69.0	6.4	114.0	98.0	125.3
2020	761.4	12.49	64.9	44.0	51.3	121.7	22.7	69.9	6.4	118.1	98.6	125.8
2021	772.0	12.48	65.4	43.9	52.2	122.5	23.0	71.3	6.4	122.1	100.7	126.1
2022	780.8	12.49	63.7	44.2	53.0	123.4	23.4	72.3	6.4	126.2	102.9	126.6
2023	791.8	12.50	64.1	44.4	53.9	124.2	23.8	73.3	6.4	130.2	105.0	127.4
2024	800.7	12.51	62.9	44.3	54.9	125.1	24.3	74.3	6.4	134.3	106.2	128.4
2025	810.9	12.52	62.9	44.9	55.7	126.2	24.8	75.3	6.4	138.4	107.0	129.5
2026	819.3	12.53	61.3	45.7	56.4	126.9	25.2	76.4	6.4	142.4	107.9	130.6
2027	828.2	12.53	60.7	46.3	57.2	127.1	25.7	77.4	6.4	146.5	108.7	131.6
2028	839.1	12.54	61.7	46.8	57.8	128.0	26.2	78.8	6.4	150.8	109.5	132.0
2029	849.7	12.55	62.8	46.6	58.4	129.0	26.6	80.2	6.4	155.1	110.6	132.4
2030	860.1	12.56	63.6	46.5	59.0	129.9	27.0	81.5	6.4	159.5	111.8	132.8
2031	869.8	12.58	63.7	46.5	59.5	130.8	27.5	82.8	6.4	163.9	113.1	133.1
2032	879.4	12.59	63.1	46.7	60.1	131.8	27.9	84.0	6.4	168.2	114.4	133.7
2033	887.5	12.60	61.9	46.3	60.5	132.7	28.4	85.1	6.4	172.6	115.6	134.5
2034	896.9	12.61	61.3	46.4	60.8	133.6	28.8	86.2	6.4	177.0	116.9	135.5
2035	906.0	12.62	60.6	46.1	61.2	134.6	29.2	87.2	6.5	181.4	118.2	136.7
2036	915.8	12.63	60.5	45.8	61.6	135.5	29.7	88.2	6.5	185.8	119.5	137.8
2037	926.3	12.64	60.6	45.6	62.0	136.5	30.1	89.2	6.5	190.2	120.8	139.3
2038	936.9	12.65	60.8	45.5	62.4	137.4	30.5	90.2	6.5	194.7	122.2	140.8
2039	948.1	12.66	61.4	45.4	62.8	138.4	31.0	91.3	6.5	199.1	123.5	142.4
2040	958.9	12.67	61.4	45.4	63.3	139.3	31.4	92.3	6.5	203.6	124.8	144.0
2041	969.7	12.68	61.5	45.3	63.7	140.3	31.8	93.3	6.5	208.0	126.2	145.5
2042	980.2	12.69	61.5	45.3	64.1	141.2	32.3	94.4	6.5	212.5	127.6	146.9
2043	989.8	12.70	60.7	45.1	64.5	142.2	32.7	95.5	6.5	216.9	129.0	148.2
2044	999.6	12.72	60.3	44.9	64.9	143.2	33.1	96.6	6.5	221.4	130.4	149.5
2045	1,009.7	12.73	60.1	44.7	65.4	144.1	33.6	97.7	6.5	225.9	131.8	150.7
2046	1,019.7	12.74	59.6	44.6	65.9	145.1	34.0	98.8	6.5	230.3	133.2	151.9
2047	1,030.0	12.75	59.4	44.5	66.4	146.1	34.5	99.9	6.5	234.8	134.6	152.9
2048	1,039.8	12.76	58.8	44.5	66.9	147.0	34.9	101.0	6.5	239.3	136.1	153.9
2049	1,050.4	12.77	59.0	44.4	67.3	148.0	35.4	102.2	6.5	243.8	137.5	154.9
2050	1,061.0	12.78	59.1	44.4	67.9	149.0	35.9	103.3	6.5	248.3	139.0	155.8





## County Economic and Demographic Indicators

### Projected Economic Growth (2018-2023)

Expected retail sales growth:	7.0%
Expected job growth:	7.9%
Fastest growing jobs sector:	Health and Education
Expected personal income growth:	13.2%

Expected population growth:	5.7%
Net migration to account for:	43.9%
Expected growth in number of vehicles:	4.8%

### Demographics (2018)

Unemployment rate (April 2018):	3.8%
County rank* in California (58 counties):	24th
Working age (16-64) population:	63.6%

Population with B.A. or higher:	20.8%
Median home selling price (2017):	\$356,000
Median household income:	\$63,524

### Quality of Life

Violent crime rate (2016):	312 per 100,000 persons
County rank* in California (58 counties):	17th
Average commute time to work (2018):	35 minutes

High school drop out rate (2017):	5.9%
Households at/below poverty line (2018):	12.8%

\* The county ranked 1st corresponds to the lowest rate in California